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THE COMMONWEALTH OF MASSACHUSETTS

BOARD OF REGENTS OF HIGHER EDUCATION

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1988 - 1989
ANNUAL REPORT

LONG RANGE PLAN
FOR PUBLIC HIGHER EDUCATION
IN MASSACHUSETTS

Chancellor's Annual Report

to the

Board of Regents

of Higher Education

September 1989

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Chancellor

Table of Contents

Introduction 1

State of the System 2

Indicators of Access and Quality 2
Fiscal Support for the Public System 7
Access Through Student Financial Aid 10

Major Regents' Initiatives 12

The Undergraduate Experience 12
Reorganization of Public Higher Education 14
Reform of Continuing Education 16
Policy Against Racism 17
Systemwide Standards on Trust Funds 18

On-Going Regents' Activities 20

Implementation of the Collective Bargaining Report 20
Long-Range Planning 20
Research and Analysis 22
Capital Planning and Spending 22
Teacher Education 23
Tuition Policy and Campus Fees 24
Approval of New Academic Programs 25
The Program Review Process 25
Fiscal 1991 Budget Process 26
McNair Progams 27
Interagency Collaboration 28

Other Activities and Projects 29

Regents' Office Reorganization 29
Presidential Appointments 29
Long-Range Planning for Libraries 30
Telecommunications and Computing Policy 30
Higher Education Communications Network (Hec Net) 30
Transfer of Credit 31
Study of Massachusetts Maritime Academy 31
Admissions Policy 32
Mandatory Student Health Insurance 32
Grant-Related Programs 33

Introduction

The 1988–89 academic year was one of the most difficult periods in the history of public higher education in Massachusetts. As a system, our public colleges and universities were challenged to maintain their past achievements in areas of academic quality and continue their drive toward excellence under severe fiscal constraints. Yet, academic institutions are adaptive entities, and even during a very difficult period, our system of public higher education has progressed, especially in terms of accomplishing policy goals.

This annual report examines the progress of our public higher education system over the past year. It outlines the major policy initiatives launched by the Board of Regents in 1988–89 and reviews the success of the system in implementing Board policies adopted in previous years. On the whole, from a public policy perspective, public higher education in the Commonwealth remains strong and vital, principally because of the leadership and strength of will which emanates from each of our campuses.

State of the System

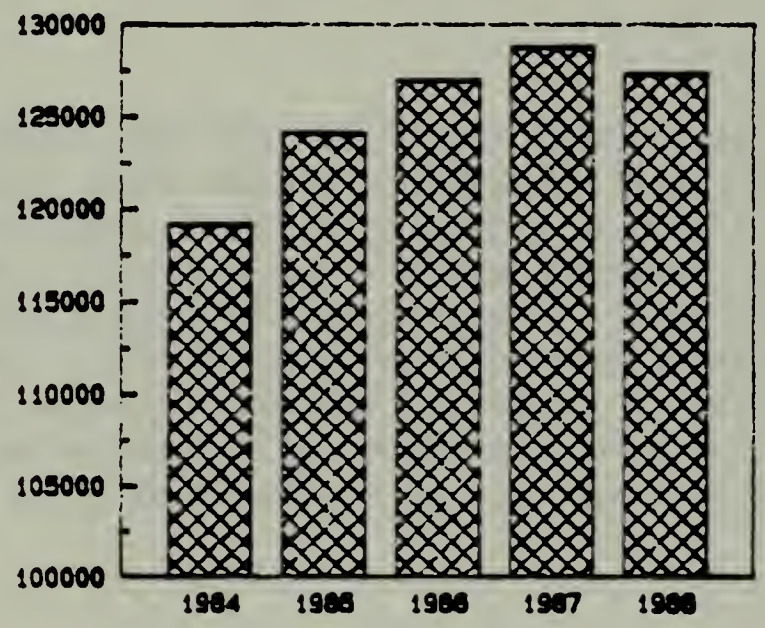
Achieving academic excellence is a product of many factors. In public higher education it results primarily from progress made toward our mutual goals of quality in the education we provide, opportunity for participation, and diversity among those involved in the enterprise. Measuring that excellence over the course of a year, however, is a difficult undertaking, since progress during a relatively short period may only provide indicators for the excellence we seek as a system over the long-term. Under the leadership of the Board of Regents and the Trustees of our public colleges and universities, the necessary indicators are in place, and significant progress toward excellence has been made during the past year, even in the face of difficult fiscal circumstances.

Indicators of Access and Quality. Public higher education in Massachusetts holds a fundamental commitment to the goals of access and quality. Each year, our public colleges and universities work to ensure progress toward these two goals by advancing their individual missions, thus maintaining the health of the system as a whole.

In the area of access, shortfalls in Fiscal 1989 funding levels limited the ability of our public institutions to meet the growing demand for higher education from potential students seeking to enroll in state supported programs. Figure 1a shows a slight decrease (-1,423) in the total number of state supported students enrolled in public higher education in the Fall, 1988 over that of the previous year.

Figure 1a

Enrollment at Public Colleges and Universities
1984 - 1988

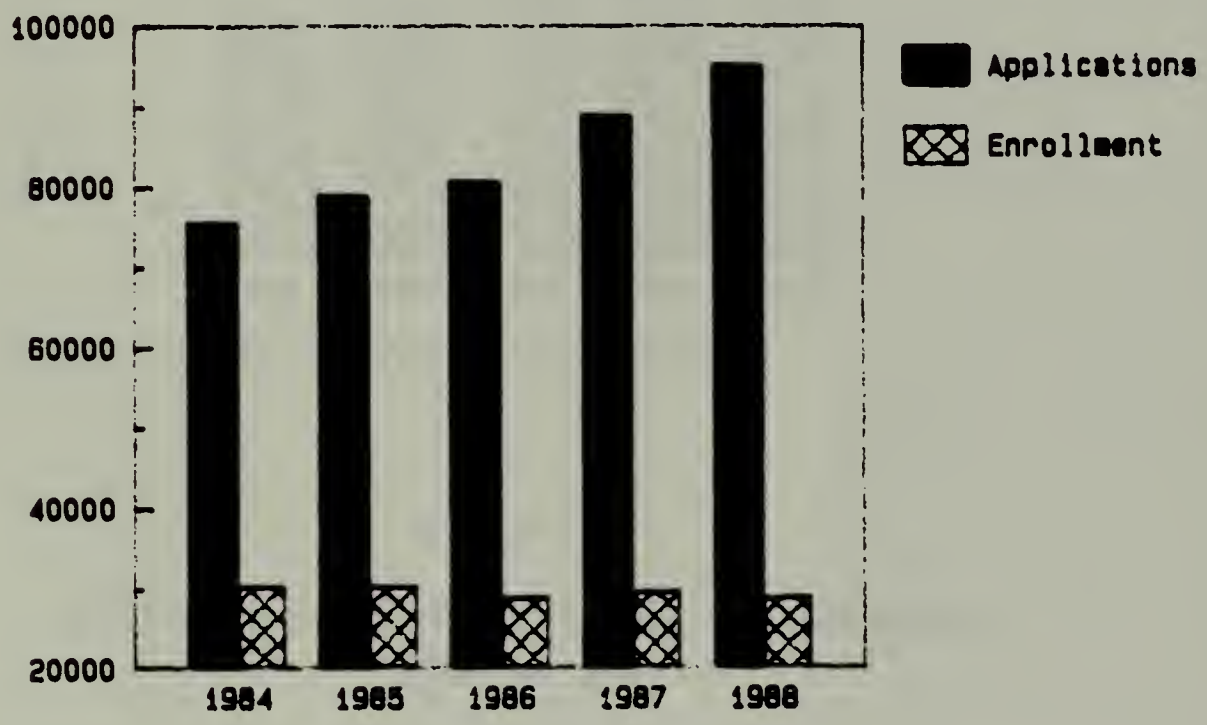


While the drop in enrollments was relatively small, it represents the first time since 1984 that enrollments in state supported programs have actually declined below previous year levels. The trend is even more problematic when measured against an increasing demand for access to the system as shown through a rather dramatic rise in application rates across the system (see Figure 1b).

Figure 1b

First-time Freshmen Applications and Enrollment at Public Colleges and Universities

1984 - 1988



Even though state supported enrollments decreased last year, these reductions did not disproportionately affect minority enrollments. Minorities, as a percentage of total state supported enrollment, continued to increase in 1988-89; a concomitant increase is also seen when each minority group -- Blacks, Hispanics, and Asians -- is measured as a percentage of total enrollment (see Figure 2). More importantly, a similar rise occurred in the Fall of 1989 in minority Freshmen as a percentage of total Freshman enrollment in state supported programs (see Figure 3). This upward trend demonstrates the commitment of our public institutions to maintain diversity, even when students are being turned away from state supported programs.

Figure 2

Minority Enrollment at Public Colleges and Universities
1984 - 1988

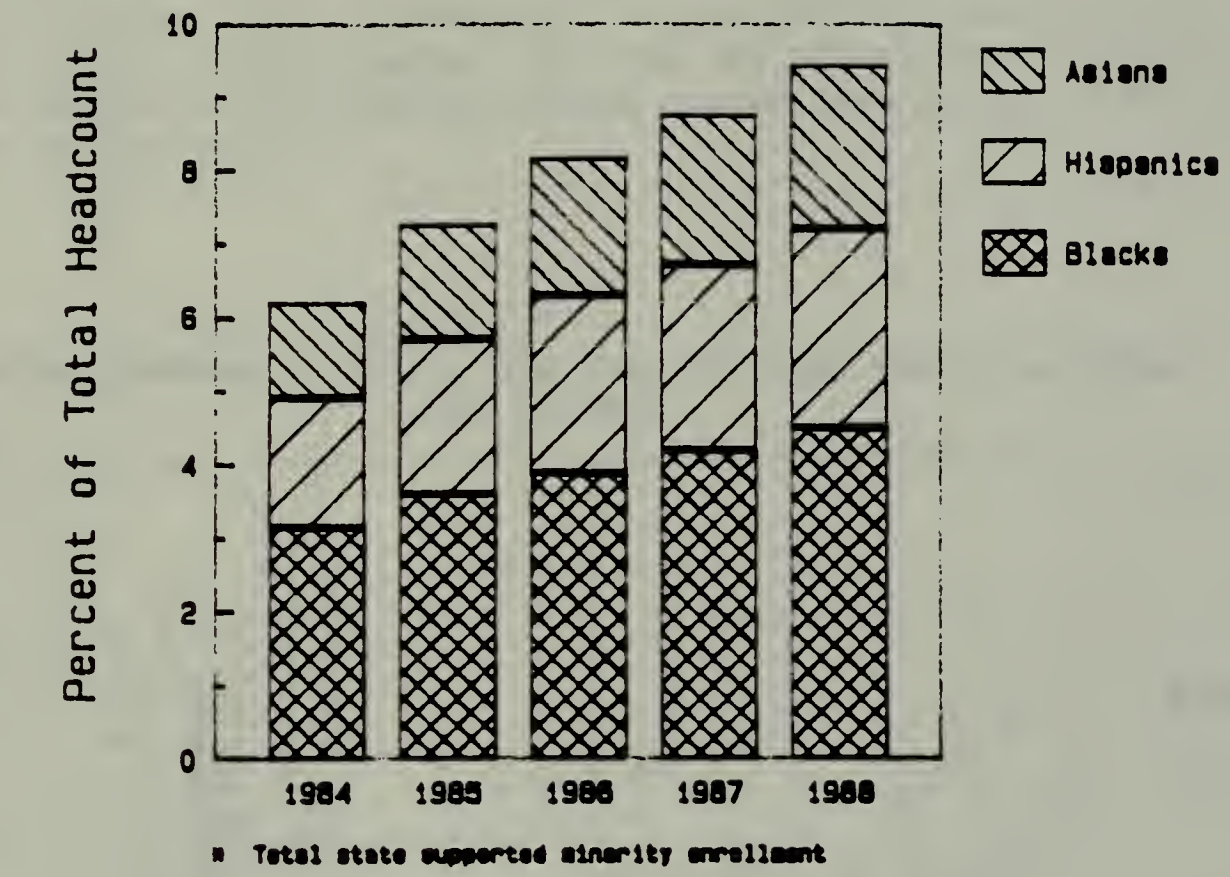


Figure 3

Minority First-time Freshmen
84 - 88

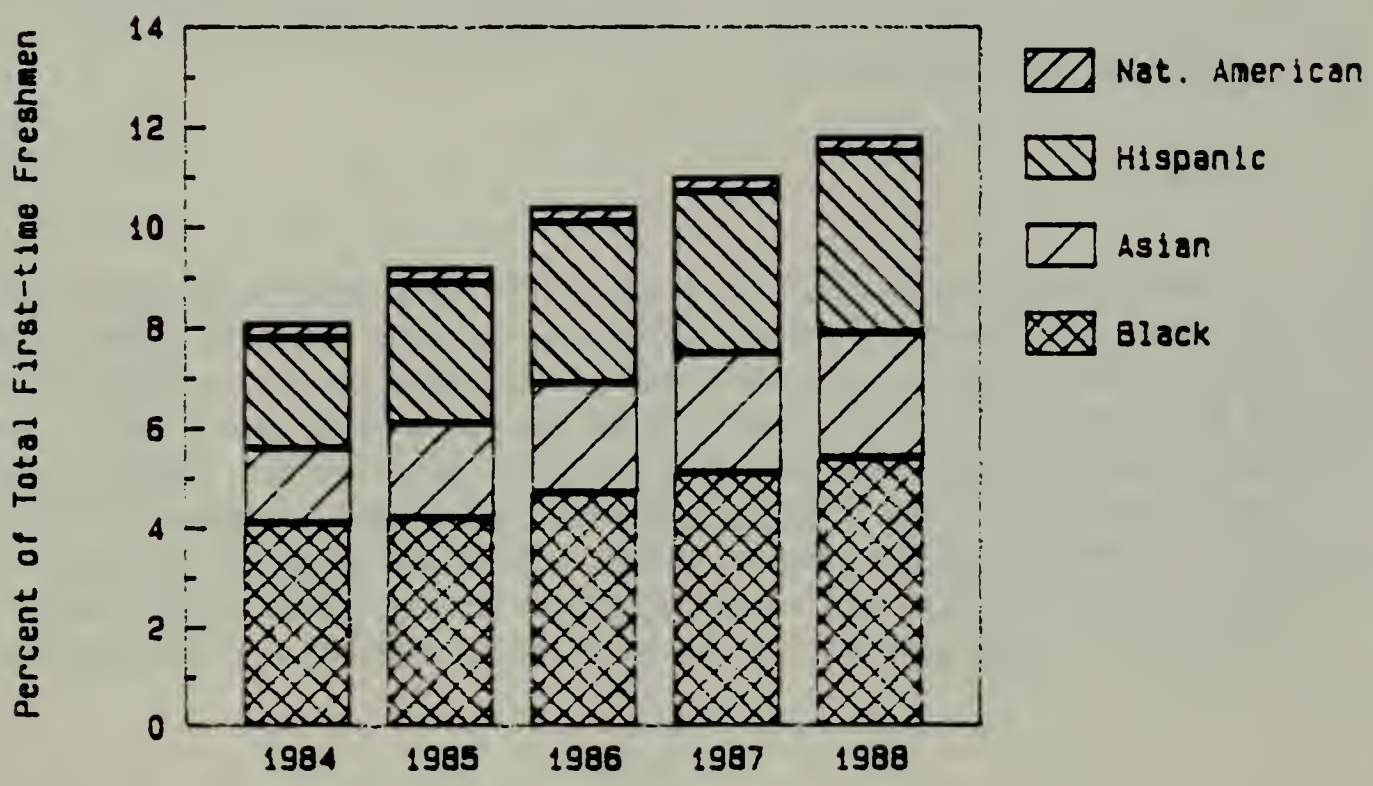


Figure 4 shows that applications to our public four-year colleges and universities have risen dramatically (+ 33 percent) over the past five years. Between the Fall of 1987 and 1988, applications to our baccalaureate institutions rose roughly 7 percent (an even greater increase was witnessed by our community colleges during the same period). This increase in the number of students who apply for admission to our four-year institutions may be attributable to a host of factors including improvement of the quality of public higher education. It is also important to note that students continue to apply to our institutions in record number, even during a time of rising tuition and mandatory fees.

Figure 4

First-time Freshmen at Public Four Year Colleges and Universities 1984 to 1988

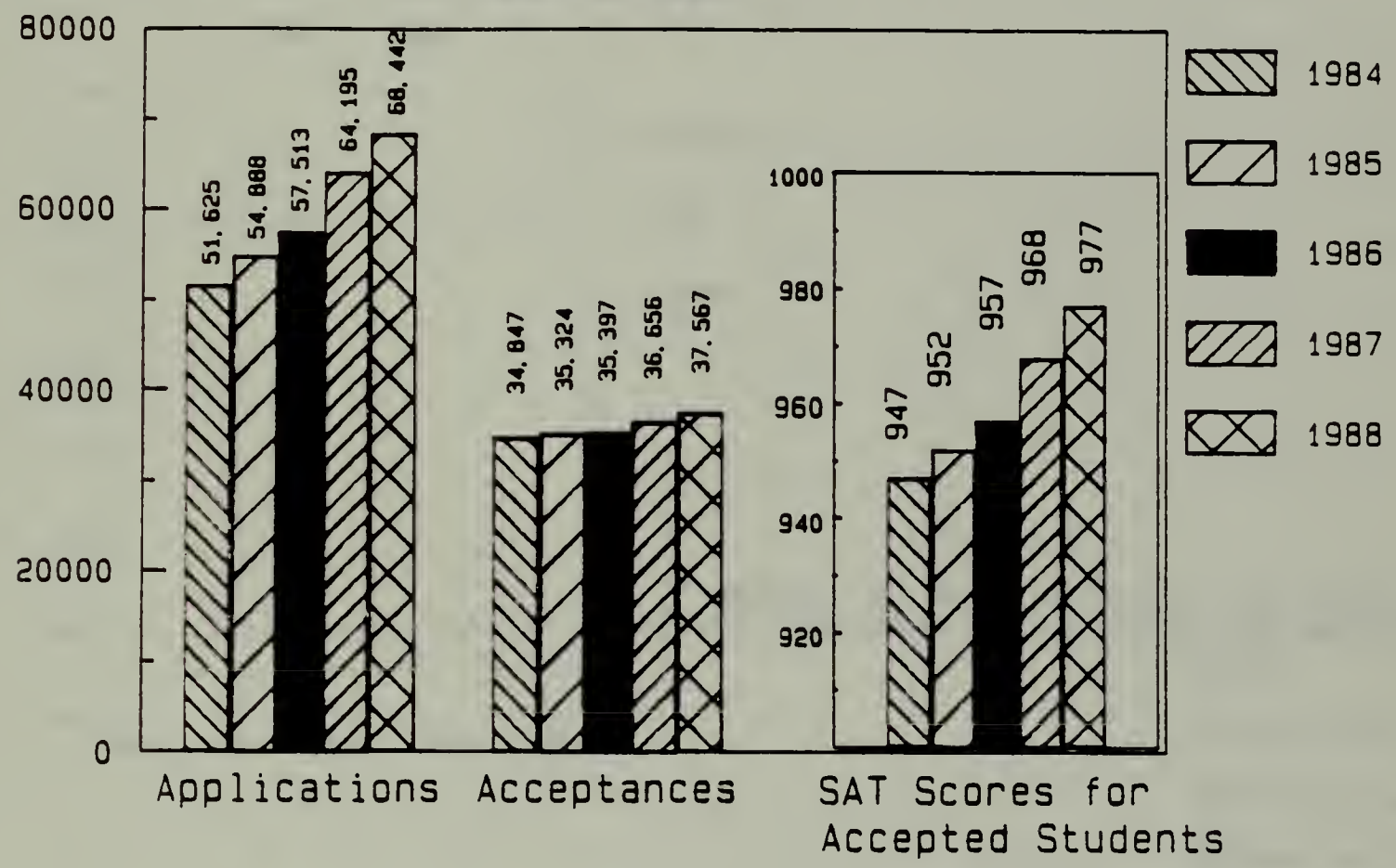


Figure 4 also shows that while the number of students accepted to our baccalaureate institutions has also increased over each of the past five years, the rate of increase in acceptances has been much lower than the rate of application increase in each year. This trend, combined with the dramatic rise in SATs scores of these potential state college and university students over the same period, strongly indicates that the quality of students accepted to our state colleges and universities is also improving, especially as these institutions accept roughly the same number of students each year from a significantly greater applicant pool. The selectivity gains at our four-year institutions is a positive measure of the improving quality of our system.

One clear measure of excellence in our system is the aptitude of our entering students. As the data in Figures 5 and 6 show, our public senior institutions have successfully recruited an increasingly talented student body. The combined SAT scores of the Fall, 1988 Freshman class continued to rise (+4) above those students enrolled in the Fall, 1987; the five-year gain in the combined SAT scores of entering Freshman now stands at +31 points. In addition, the combined increase in SAT scores of last year's entering Freshman class is not only higher than that for all Commonwealth test takers, but it is higher than that for all students in the New England region and the United States. Indeed, between 1987 and 1988, the scores for all other comparison groups actually decreased while those of our entering Freshman continued to rise slightly.

Figure 5

SAT Scores: Public State Colleges & Universities

1984 - 1988

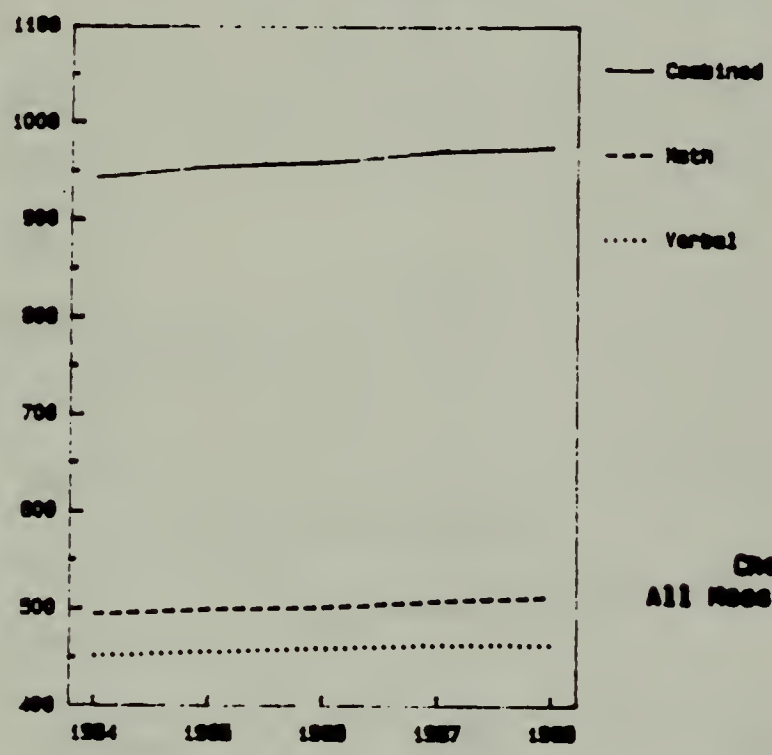
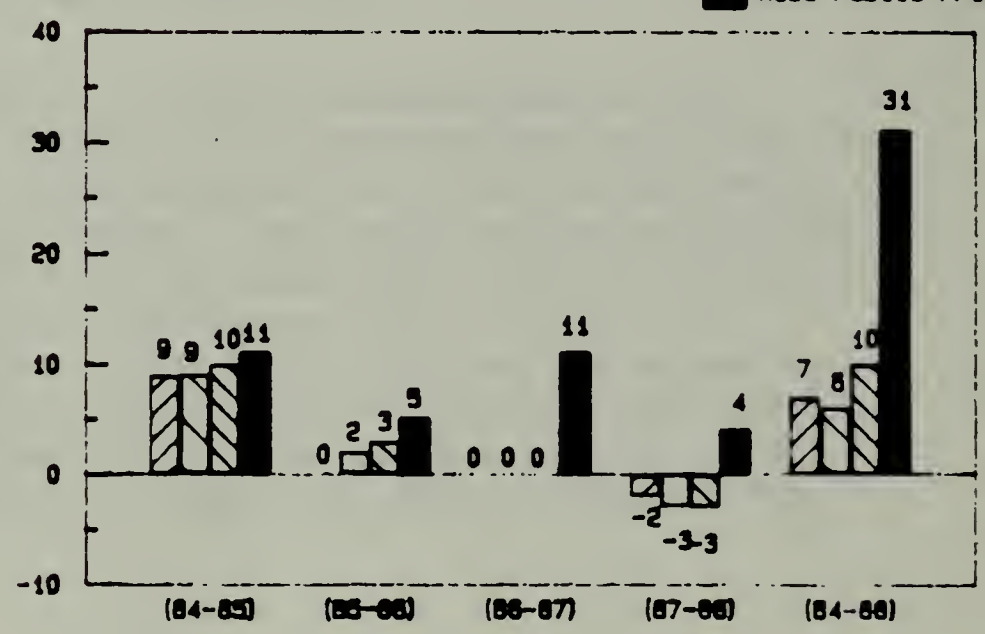


Figure 6

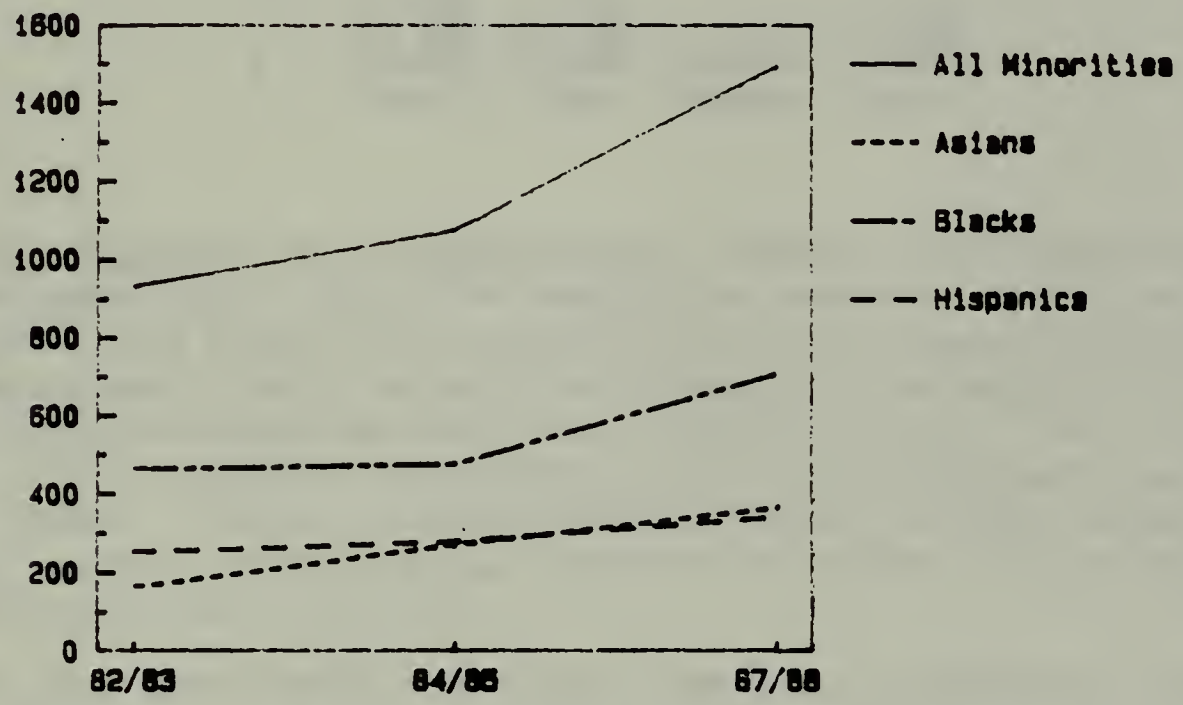
Change in SAT Scores for the U.S., New England, All Mass. Test-takers and Mass. Public First-time Freshmen



Another important trend is the growth in number of degrees conferred by our public institutions, especially degrees awarded to minority students (see Figure 7). Consistent with the Regents' commitment, our colleges and universities have once again worked to expand educational attainment for all students this past year. As Figure 7 shows this positive outcome was not always the case, especially prior to 1984-85. However, for two successive years, degrees conferred to minority students have increased (+6.1%), with degrees conferred to Black and Hispanic students as a group increasing by 7.6%. This emerging trend will be monitored closely to ensure that the improvements continue, particularly if the absolute number of minorities enrolled in the system should decline.

Figure 7

Degrees Conferred to Minorities in Massachusetts Public Higher Education
82/83 - 87/88

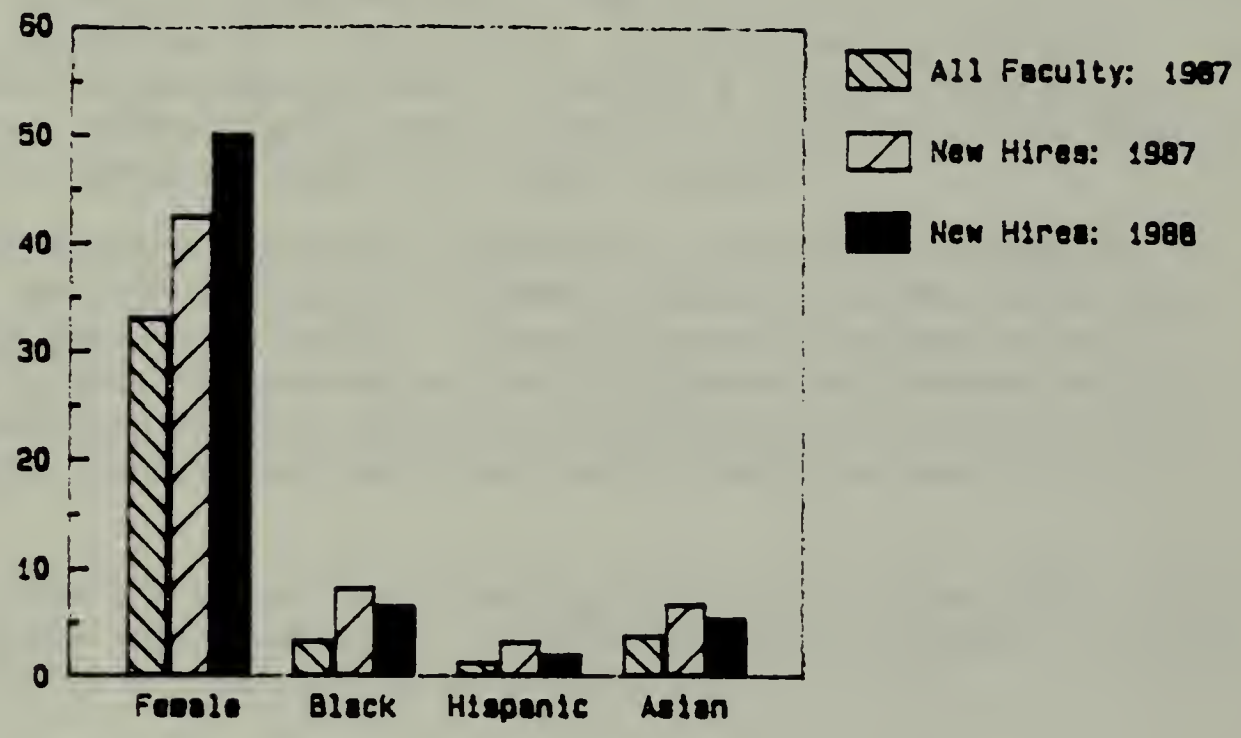


Note: AY 87/88 data were based upon RPEDS (unit record) rather than IPEDS (aggregate) for the first time.

The Regents have been dedicated to promoting non-discrimination and affirmative action in recruitment and hiring, and our campuses have made noteworthy progress in this area. Figure 8 outlines the record of our colleges and universities in hiring women and minorities for their faculties. On the positive side, the percentage of women and minority faculty hired in 1988 exceeded their relative proportion in the total 1987 workforce (the latest year for which complete labor force data are available). Further, the relative number of new faculty hired who are women has increased consistently over the past two years. There were, however, relatively fewer minority faculty new hires in 1988 than in 1987. Particularly in light of current funding constraints, this is an issue that will require very close monitoring in the future.

Figure 8

Faculty New Hires: Public Colleges & Universities 1987 and 1988



Fiscal Support for the Public System. Fiscally, public higher education in Massachusetts faces a crisis. The funding gains experienced by the system during the mid-1980's have largely been reversed by the serious erosion of funding over the past two fiscal years. Lack of consistent and meaningful fiscal support for public higher education has hampered our twin goals of access and quality. We now find ourselves within a "bare essentials" environment, unable to meet the growing demand for access to our system. A review of both the levels of funding for higher education and the funding process over the past year points out the problems we have experienced and serious implications for the future.

In June, after months of protracted negotiations and differing revenue projections, the Legislature passed a Fiscal 1990 Budget totaling $12.3 billion. Stating the budget was out of balance, the Governor subsequently vetoed $250 million and withheld an additional $241 million.

The impact of these reductions on higher education, particularly the effect on the operations of our colleges and universities, has been devastating. Of the $755.2 million approved by the Legislature for higher education, the Governor vetoed $22.1 million and withheld $16.7 million, a total cut of $38.8 million. The total amount of state funds available in Fiscal 1990 now stands at $716.4 million, a five percent reduction from the previous year's appropriation.

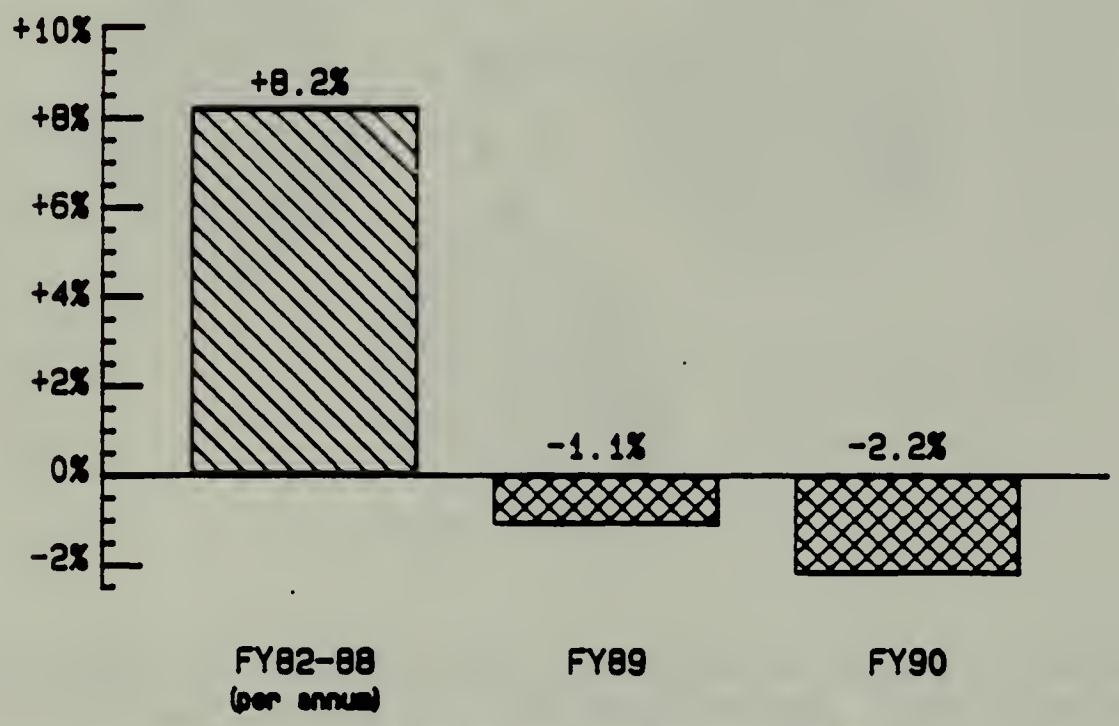
Campus general operating budgets, on the whole, have been cut by $30 million. Under this reduction, campuses estimate that 9,000 admissible students will be closed out of the system during the coming year. Over 1,100 faculty and professional slots have been frozen and 1,000 course sections cancelled.

In addition, the entire School/College Collaborative Program ($2 million) was eliminated in Fiscal 1990. Funds for Disadvantaged Student Programs were cut from $6.6 million to $5.9 million. Funds for academic libraries were also cut by $500,000 -- this over an already seriously reduced budget for library materials. The University of Massachusetts Cooperative Extension program was reduced from $4.7 million to $3 million, requiring sizeable layoffs in the program. The administrative cost of the Regents Scholarship Program (approximately $1 million) is also now charged to the Scholarship Reserve, thereby reducing funds available for student awards. In addition, $3.8 million in state student aid funds were vetoed or withheld.

The Fiscal 1990 budget represents a significant turning point in funding for higher education. Since the inception of the Board of Regents, campus funding has grown at an annual rate of eight percent. These increases allowed the system to restore equipment budgets, maintenance and repair programs, and improve staffing in faculty and academic support areas. In addition, faculty salaries have grown to a nationally competitive level; Massachusetts' salaries for faculty now rank in the top 10 percent.

As shown in Figure 9, the downward funding trend began in Fiscal 1989. In that year, net appropriations (after reversions) for campus operations decreased 1.1 percent. The drop in Fiscal 1990 is double that of the previous year.

Figure 9
Annual Change in Net Appropriations* to Campuses
Selected Fiscal Years (FY82-FY90)



* Adjusted for mandatory reversions

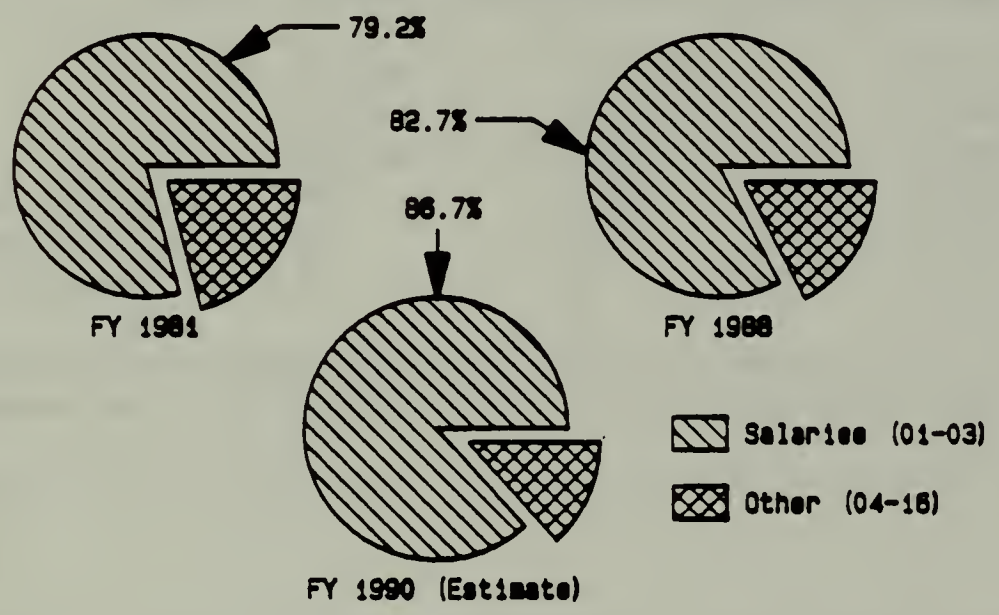
While reductions of one to two percent may be considered manageable by some, the decrease does not reflect the impact of inflation which has added an additional cost of seven percent per year that must be absorbed within these declining budgets. In addition, the timing of mandated savings and reversions ($15 million from campus budgets this past spring) has compounded the problem, since reversions typically occur in mid-semester, long after students are enrolled.

Campuses have done their best to meet mandated savings and budget reductions while protecting core educational programs and services. To live within their reduced allocations, our public institutions have used a variety of management strategies to minimize the impact of reduced funding. This past year, however, more drastic measures have been required, including layoffs of administrative personnel and part-time faculty, virtual elimination of all but essential equipment purchasing, and implementation of significant emergency fees to fund normal maintenance items. These cuts, combined with deep reductions in student admissions have, in effect, brought about a gradual downsizing of the system over the past two years.

While I believe this is the proper approach to ensure quality when funding is reduced, the effect on campus operating budgets should alarm us. Expenditures for salaries absorb an overwhelming share of operating budgets today, leaving minimal funds for equipment and other support needs. In Fiscal 1981, salaries accounted for 79.2 percent of the total campus budget. In 1990, that share has increased to 86.7 percent (see Figure 10).

Figure 10

Percentage of Expenditures for Salaries
FY 1981 - 1990



In an attempt to reverse this trend, restoration of funding for campus support costs will be a primary focus in our 1991 budget request. It is critical to the health of our system that we provide adequate resources for all operational areas that contribute to a quality education.

Access Through Student Financial Aid. The Commonwealth has a long standing tradition of supporting access to higher education. During recent years, this support can be seen through dramatic increases in the scholarship appropriation, rising from $19 million in Fiscal 1984 to the Fiscal 1989 level of $84 million. While the increases have been substantial, a coherent statewide policy framework for distributing aid dollars was not in place until the Report of the Task Force on Student Financial Aid was adopted by the Board of Regents in 1988. With this policy framework for the future direction of the Commonwealth's Scholarship Program, this past year marked the first phase of implementation of the recommendations contained in the Task Force Report.

A fundamental principle of the Regents' policy is the linkage among the costs of education, public sector tuitions, and the availability of financial aid. Under this linkage, the neediest students receive a General Scholarship award equal to 100 percent of public sector tuition and average mandatory fees. During the 1988-89 academic year, the Board of Regents achieved this goal for students attending community and state colleges, and all but one university. While the goal was not fully realized at the University of Massachusetts at Amherst, the increase in the maximum General State Scholarship award did fully cover the Fiscal 1989 tuition and mandatory fee increases at that University. The chart below demonstrates the initial implementation of this important policy goal.

TABLE 1

Maximum Scholarship Award Increases Adopted to Offset Average Public Sector Tuition Increases

	Average Tuition Increase	Maximum Scholarship Increase	Maximum Scholarship Award
Universities	$99	$400	$1,700
State Colleges	$81	$300	$1,400
Community Colleges	$60	$0*	$1,000

*Community College maximum award levels did not increase for 1989-90 because the maximum award level already equaled 100% of tuition and mandatory fees.

From over 115,000 applicants, nearly 50,000 needy students benefitted from the Commonwealth's General Scholarship Program in 1988-89. Program data support the fact that access for the Commonwealth's neediest students was achieved. The higher a student's educational costs, the greater his/her average award. Students with the greatest financial need received the greatest number of awards and the highest award values, whether they attended a public or independent college or university.

In addition to the General Scholarship Program which represented 68 percent of the total State Scholarship appropriation, the Board of Regents provided nearly $20 million to colleges and universities for a variety of need-based financial aid programs. These additional state funds furnished campuses with the necessary flexibility to meet the needs of their diverse populations, assuring thousands of needy full- and part-time students access through grant, loan, and work programs at the campus level.

In an effort to fulfill the remaining recommendations of the Task Force Report, the Financial Aid Advisory Committee concentrated its efforts on the following issues during 1988-89: the consolidation of programs; the development of an equitable allocation formula for the campus-based programs; and the preparation of a general provisions manual. The successful implementation of these key recommendations will further ensure that funds are properly targeted for needy students in the most effective manner possible and improve the delivery of state student assistance.

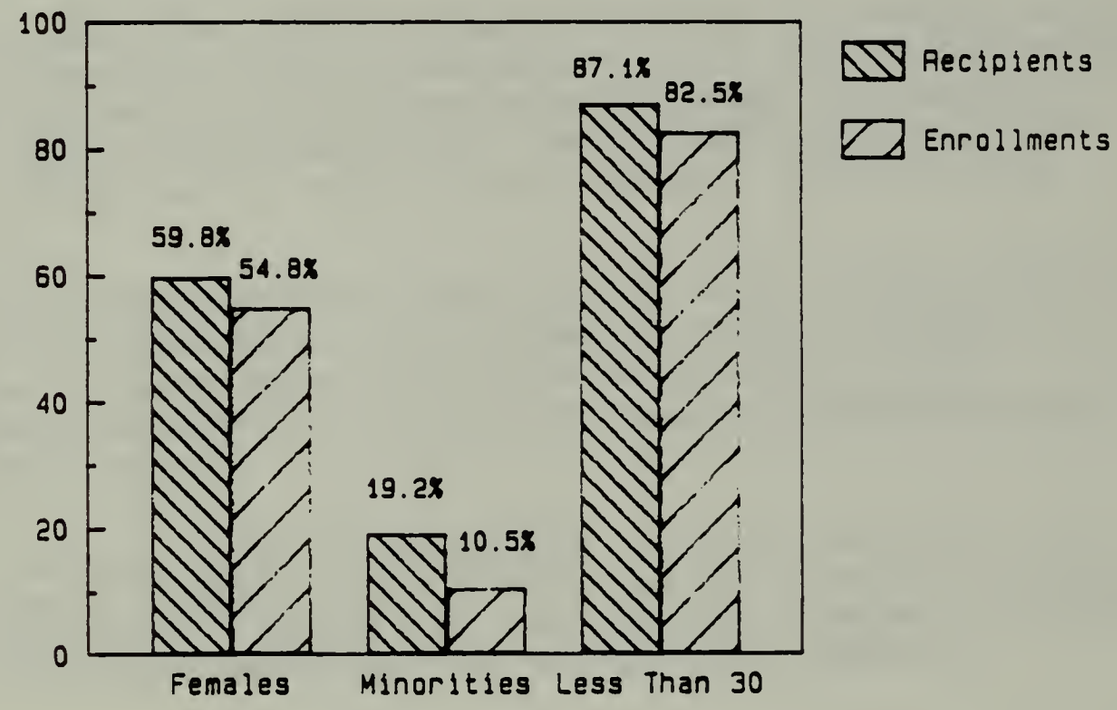
A study released this past year by the Regents concluded that the goal of the Commonwealth's financial aid program, which is to provide the greatest possible access for the neediest families, has been achieved. In fact, those students most in need received the greatest assistance. Characteristics of General Scholarship recipients reveal that there were proportionately more female, minority, and younger (under 30 years old) recipients than the proportion of those enrolled in the public sector (see Figure 11). Further, the large number of recipients at the community colleges with incomes of less than $5,000 and the high value of their awards validates the important role of the community colleges in providing access for needy students.

Figure 11

Comparison of Recipients to Enrollments:

Females, Minorities & Less Than Thirty Years of Age

AY 1987 - 1988



Major Regents' Initiatives

In 1988-89, the Board of Regents initiated a series of policy reforms aimed at enhancing the overall viability of the system. Action by the Board last year centered on identifying steps to strengthen the undergraduate experience, establishing standards for the administration of trust funds, developing a systemwide policy against racism, reviewing the structure of the public system, and proposing reform measures in continuing education. These major initiatives complement the reforms adopted by the Regents in previous years and, taken as a whole, set forth a policy blueprint for our system as it strives for excellence in higher education.

The body of this report is divided into three main areas -- Major Regents' Initiatives; On-Going Regents' Activities; Other Activities and Projects -- which encompass the broad spectrum of Regents' work over the past year. Implementation of the policy initiatives put forth by the Board over two years ago also remained a significant part of our agenda last year. While much work lies ahead, we can all take pride in the progress we have made as a system to date. The following summarizes in more detail the major accomplishments of the year 1988-89, the status of our on-going activities and projects, and the work that remains to be completed.

The Undergraduate Experience

The single most important accomplishment of the Regents this past year was the issuance of its first comprehensive policy statement on academic matters. The report of The Undergraduate Experience, adopted in June, affirmed the commitment to the quality of undergraduate education in the Commonwealth's public colleges and universities and identified steps to strengthen and enhance the undergraduate experience.

In response to the "Year Ahead" message of November, 1987, Regents' staff worked with the campuses to conduct a thorough review of all facets of undergraduate education. Over the ensuing eighteen-month period, the project was assisted by six working groups, which were composed of more than 60 faculty and administrators from our public colleges and universities who gave generously of their time and expertise.

The report's 44 recommendations share a common theme -- that the students enrolled in the state's public colleges and universities in pursuit of an undergraduate education deserve and should receive the best that our institutions can offer. A number of the recommendations are concerned with minimum academic standards for the undergraduate experience:

- Assessment of Basic Academic Skills. To ensure that students can succeed at college-level work, institutions will be required to assess the basic academic skills of their entering students in the areas of English composition, mathematics, and reading; provide appropriate

developmental instruction for those who do not demonstrate the requisite skills; and subsequently, assess whether those students have attained the necessary skills to proceed with college-level instruction. Criteria were identified for college-level work in these three areas, and while institutions may choose different methodologies for the assessments, the methodologies selected must be comparable and compatible.

- o No Degree Credit for Developmental Work. Developmental instruction should not receive credit toward the associate or baccalaureate degree.

- o Degree Standards. Academic standards are set forth for associate and baccalaureate degrees, including the number of semester hours needed for degree completion, cumulative grade point average as well as average in the major and the general education component.

- o Principles to Guide Review of General Education. Expected learning outcomes in terms of students' abilities and knowledge were identified for the general education component of the undergraduate curriculum.

- o Study of Foreign Language. Institutions that do not have a foreign language requirement for the earning of a baccalaureate degree are urged to institute such a requirement.

- o Structure of the Baccalaureate Major. Essential characteristics of the undergraduate major have been stated, including its content, extent, and integration with the remainder of the curriculum.

The report's remaining recommendations address numerous factors that help to make the undergraduate experience both meaningful and successful. Highlights include:

- o Admissions and Selection Policies. To ensure that applicants are fully informed, each public college and university is to publish a statement of its admissions policy, including any special criteria for admission to a particular program.

- o Information to Improve Student Preparedness. The Board of Regents is to assist institutions in the development of a system to share information about the college performance of their graduates.

- o Orientation to the College Experience. Each institution should offer solid orientation programs for new students to help them make the transition to the college experience.

- o Support Services. The crucial role of appropriate academic and student support services is stressed.

- Institutional Expectations. Each institution is to identify the learning outcomes, in the form of knowledge and skills, that it associates with successful completion of the degree. Each institution, in relation to its mission, is to identify measures (such as performance on licensing examinations, transfer success, job placement, learning outcomes) to demonstrate how its students benefit from their undergraduate experience. Information acquired through assessments should be used for the improvement of teaching and learning.

- Elective Component. Institutions should safeguard students' opportunities to explore other areas of knowledge through access to free electives, and the institution's advising system should seek to preserve the free elective component. The faculty's essential role in guiding students throughout their undergraduate education is recognized.

- Improved Access to Equipment. Continued effort should be directed toward improving access by the campus community to computers and software, and to other needed equipment incorporating current technology.

- Preparation and Supervision of Teaching Assistants. Institutions have a responsibility to ensure that teaching assistants, as well as other non-regular instructional personnel, are capable of performing their assigned duties and receive necessary supervision. These individuals should receive appropriate training, including language and cultural orientation where needed.

A special section of the report contains a call for a comprehensive program of professional development on each campus for faculty, staff, and administrators. Maintaining currency in the discipline, using relevant technology, and responsiveness to the institution's mission and clientele are among the goals of professional development.

To ensure that The Undergraduate Experience serves as a dynamic foundation for action, a comprehensive implementation plan now is being developed in consultation with public college and university officials. In recognition that not all the report's recommendations can be accomplished, or even begun, at once, the implementation period will span the next five years.

Reorganization of Public Higher Education

In February 1989, the Board of Regents initiated a comprehensive review of the present structure of public higher education in Massachusetts. A report, entitled System and Campus: A Structure for Excellence, was developed by Regents' staff over a one-month period and, in March, was approved by the Board for distribution and discussion with all constituencies throughout the higher education system. Over 300 copies were disseminated; the written comments received in response express both systemwide concerns and the reactions of individual campuses. In addition, the

Chairman and individual Regents as well as the Regents' staff met with faculty, staff, administrators, and trustees of our public institutions, especially on those campuses that would be most affected by the restructuring proposal. The dominant theme of the comments was that the report generally set a much-needed direction for the system, but that the Regents should proceed with care, deliberation, and consultation.

In receiving the final version of the revised report, System and Campus, at its May meeting, the Regents affirmed the principle that the strongest dynamic for campus excellence is decision-making by a local board of trustees and a president. In partnership with the higher education community, the Regents committed themselves to the study and deliberation of each of the recommendations set forth in the report as part of the long-range planning process which was already under way.

In affirming the principle of campus autonomy defined in this report, the Regents shared with the community colleges, state colleges, and universities the aspiration that Massachusetts public higher education be second to none, fostering excellence at each of its institutions and in the system. According to the report, our system should be able to manage diversity, ensure a high degree of campus autonomy and decentralization, encourage a healthy competitive spirit, protect the identity and unique traditions of each institution within the system, and ensure institutional autonomy and accountability. System and Campus called upon the Board of Regents to clarify its role as a statewide policy and planning body, and upon each college and university to assume greater responsibility for its own future within the system.

The key recommendations of the report may be summarized as follows:

- There should be four universities within the Massachusetts system of public higher education, each with a distinctive identity and character, serving the Commonwealth as a whole as well as its region. Each should have its own President and Board of Trustees. A council of university presidents, parallel to those representing the state colleges and community colleges, should be established to deliberate and advise the Chancellor and the Regents on key issues affecting their institutions.

- Each state college and community college, similarly, should be supported in the development of its distinctive identity and character, of effective campus governance, and in fulfillment of its mission of service to the Commonwealth.

- The Regents should work with the campuses to make the annual budget process more effective in achieving the goals of quality, access, and accountability. The process should recognize the realities of campus finance and the distinctive missions of various types of colleges and universities as well as of individual institutions.

- The Regents should seek to streamline capital outlay procedures and to establish a Public Higher Education Capital Endowment Fund that will provide a vital "margin for excellence" in the system.

- o The Regents support the proposal to establish an Academic Review Panel that would create criteria for the selection of qualified candidates for board appointments, oversee the selection process, and recommend candidates for appointment by the Governor.

These recommendations looked to a system of shared governance. Under the model, each college and university would be free to shape its own character and fulfill its distinctive mission. At the same time, the people of the Commonwealth would be assured that the statewide, comprehensive system of higher education fosters academic excellence and institutional accountability, and promotes the effective use of public resources in meeting the needs of the Commonwealth.

Reform of Continuing Education

For a number of years, consultants, scholars, reviewers, and accrediting associations criticized the practice in Massachusetts of operating evening, weekend, and summer courses and especially graduate programs without state support. It had been generally agreed that the absence of support had a negative effect on extending higher educational opportunities to students enrolled in these programs which operate outside the administrative structure and academic oversight provided for state-supported programs. In February 1987, the Regents established a Task Force to study the role of Continuing Education Programs in our system. In August of that year, the Task Force issued its first report recommending that selected graduate programs should be state-supported and that all other self-supporting graduate programs should be phased out.

In early June 1989, the Regents were presented with a second report from the Task Force which focused on undergraduate credit-bearing courses and degree programs. The Task Force reached a consensus on the principles that should govern public policy regarding evening, weekend, and summer courses which can be summarized in a single statement -- that there should be no disparate treatment of students enrolled in credit-bearing courses solely because of the time of day, day of the week, or time of the year that they attend classes.

As in its earlier report on Graduate Education, the Task Force recommended that the statutory prohibition on providing state funds for Continuing Education courses be eliminated. By providing the possibility of funding, the Task Force established a long-term goal of a "one-college concept" in which the current distinction between day courses and Continuing Education courses would be eliminated, allowing students to enroll at any time during the day and evening and to pursue degrees as their schedule permits. Dropping the distinction between day and Continuing Education would serve the diverse needs of our modern society and provide equal status for all of our students and programs.

In making its recommendations, the Task Force took care to note that integrating day and evening programs was a difficult challenge. While the primary issue is a change in funding restrictions, other difficulties, such as the demands and requirements of collective bargaining, were seen as equally formidable. The Task Force also

recognized the many positive aspects associated with Continuing Education, notably their flexibility and responsiveness to regional and community needs.

To that end, the Task Force recommended that in studying the financing of higher education within the Long-Range Plan, the Regents should take care to build in the principles of equity and adequacy of support for these programs with a phase-in approach to a stable, sustainable funding method. It was also argued that flexibility and responsiveness should become a hallmark of all of our academic offerings.

The first important step in reforming Continuing Education is the amendment of Chapter 15A to remove the restriction on the use of state funds to support evening, weekend and summer courses. We have recommended that specific language change to the Legislature. Removing the restriction will not allow us to fund all existing self-supported programs because funding is so limited, but it will, for the first time, provide the basis for gradually integrating Continuing Education into the regular academic offerings.

At this time, much of the effort for reforming Continuing Education must come at the institutional level; this is all the more true to the extent that we must proceed with available resources. The campuses have been encouraged to take steps to provide at least minimum access to support services for all on-campus students regardless of their schedule. Traditional Continuing Education courses, those non-credit courses for professional and personal development, also remain as key components of our community and public service missions.

Policy Against Racism

Over the past few years many college and university campuses throughout the country have experienced a dramatic increase in the incidence of ethnic, religious, and race related harassment and violence. The recent rise in overt expressions of intolerance on campus is unprecedented in this post 60's era. The Massachusetts public higher education system has not gone unscathed during the emergence of this disturbing trend.

Even in the absence of physical acts of violence, manifestations of bigotry and intolerance pose considerable dangers for any academic environment. Such acts not only violate codes of desired conduct and thereby jeopardize social stability on a campus, they also seriously undermine the exercise of academic freedom. Perhaps most importantly, occurrences of such offensive behavior rob an individual or group of human dignity and sometimes civil rights, consequently interfering in the pursuit of knowledge.

This past year, the Board of Regents took constructive measures to stem the manifestation of racial intolerance in our public higher education system. In the Spring of 1989, a draft Policy Against Racism for the system was prepared by the Regents' Office of Affirmative Action and was circulated for review and comment. The draft Policy was developed to address the conditions of racial, cultural and religious intolerance which have given rise to destructive incidents of hostility and which have impeded the development of cultural and racial pluralism.

The specific objectives of this Policy seek to: 1) condemn, prohibit and prevent racist activity; 2) establish standards of behavior for the entire campus community; 3) create a safe environment which embraces the accords of civility and the tenets of human dignity; and 4) guide campuses in achieving an environment of genuine pluralism. The Policy prohibits all forms of racism including culturally, ethnically, or religiously offensive conditions and activities on campuses. Guidelines for campus implementation accompanied the Policy.

In summary, the Policy requires that campuses adopt and publicize a similar institutional policy; develop a program of educational activity for faculty, staff, and students; undertake strategies and efforts for conducting institutional analyses to detect problem areas; institute formal and informal procedures for resolution of grievances; and develop strategic plans and approaches for enhancing racial/cultural diversity and pluralism on campus.

The draft document was submitted for comment from presidents, chancellors, affirmative action officers and other relevant personnel on the campuses. Federal and State agencies and offices were also offered the opportunity for comment. In addition, a number of other individuals and organizations across the country involved in anti-racist work were solicited for comment.

After appropriate revisions were made in the document, the Policy Against Racism was formally adopted by the Board of Regents in June. Subsequently, communication was sent to all presidents and chancellors providing a timeframe for submission of campus policies and plans pursuant to the newly adopted Policy. The staggered schedule of submission of documents for Regents approval provides for full campus implementation by January, 1990.

Systemwide Standards for Trust Funds

In an effort to address public concern over alleged trust fund abuses on campuses, in December, 1988, Regents's staff began working with an educational consultant team from Coopers and Lybrand to develop systemwide guidelines for trust fund expenditures. Although the Board of Regents had not received specific statutory authority to promulgate trust guidelines, a Blue Ribbon Commission was established in January by Regents' Chairman Tsongas to review the consultants' guidelines and make final recommendations to the Regents. The Commission was chaired by William Thurston, Chairman of GenRad, Inc., with Thomas W. Jones, Senior Vice President of John Hancock Insurance Company, and Nannerl Keohane, President of Wellesley College, serving as members. The Commission met over several months, working with the Coopers and Lybrand team as well as Regents' staff and presented its final report, Standards for the Expenditure of Trust Funds, to the Board of Regents at their May meeting. The Standards were approved by the Regents with the provision that an orientation session be held for campuses and that the Standards be reviewed annually by the Regents' Committee on Administration and Finance.

The Standards state that local boards of trustees and presidents must have flexibility to carry out their responsibilities in managing trust funds and also recognize that no guidelines can become a substitute for the good judgment of trustees and presidents. The Standards, however, provide guidance on certain procedures and selected expenditures.

Highlights of the Standards include quarterly reporting of expenditures to trustees and trustee pre-approval for expenditures over $2,000 as well as for expenditures that may be perceived as a personal benefit to an individual. The Standards specifically allow reasonable moving expenses to enhance recruitment of officers while prohibiting certain other expenditures including membership in private clubs, spouse travel and tickets to sporting and other outside events. Certain other expenditure levels are left to the judgment of the trustees in areas such as entertainment and campus employee social functions.

Throughout the process of establishing the Standards, the public presidents and chancellors were consulted for their input. Before the initial meeting of the Commission, the presidents forwarded their general ideas and comments on certain categories of expenditure, including travel and entertainment. An initial draft of the Standards was forwarded for president and trustee comments. All comments were reviewed by the Commission and most suggestions were adopted in the final version of the Standards. As a result, the Standards have been generally well received and our public institutions are incorporating them into their own campus policies.

A summer orientation on the Standards was held for all chief fiscal officers and a Fall review is planned for presidents and trustees. The Regents' Administration and Finance Committee will review the Standards at the end of the academic year and make any modifications it deems appropriate based on the system's experience operating with them during the year. The Board of Regents will continue ongoing review with campuses and also will keep the legislative leadership informed of progress in the trust fund area. A bill is still pending with the General Court which would give the Regents statutory authority to establish guidelines for trust funds. In light of the institutions' cooperation in this year's effort, such legislation would have little practical effect on operations but would give legal weight and authority to the Standards.

On-Going Regents' Activities

Implementation of the Collective Bargaining Report. On June 22, 1988, the Board of Regents approved a comprehensive report on Collective Bargaining in Massachusetts Public Higher Education. In adopting this report, the Board affirmed its commitment to exercise its full statutory authority for the negotiation and administration of labor agreements covering some 14,000 employees. At the same time, the Regents acknowledged the key role that the Boards of Trustees and Presidents play in this important aspect of institutional governance. By striking an appropriate balance between the authority of the Board of Regents and the responsibilities of the Trustees and Presidents, the collective bargaining report provided a valuable policy framework for the round of negotiations which is now underway.

During the past year, for the first time since the establishment of the Board of Regents, negotiations with some faculty bargaining units were conducted directly by the Regents' staff. Contractual agreements were reached with new units certified by the State Labor Relations Commission to represent part-time day faculty and continuing education faculty, respectively, at the State Colleges.

As preparations were being made for the negotiation of new three-year agreements with the 27 established bargaining units in higher education, we took several significant steps to effectuate the recommendations of the collective bargaining report. In December, 1988, a memorandum of agreement was executed under which the Presidents of the State Colleges agreed to hire an in-house Negotiator/Administrator to conduct faculty and professional staff negotiations, replacing the outside firm that had for many years been engaged to carry out these responsibilities. We anticipate that significant cost savings will be realized from this change during the current bargaining cycle.

In an effort to increase accountability, we developed new, more detailed guidelines for designated campus negotiators. In addition, a formal schedule of communications and bargaining updates was established to ensure that the Regents' Office is kept fully informed of all substantive developments at the various faculty and professional staff negotiating tables.

Long-Range Planning. Among the statutory responsibilities of the Board of Regents is the preparation of a five-year master plan for higher education in the Commonwealth. The initial statewide plan was completed in 1982. For the current planning cycle, the Board decided to fulfill its planning responsibility by developing a series of major reports that address long-term, systemwide challenges requiring thoughtful, concerted action over time. The long-range planning process will serve three primary purposes. It will establish overall goals and objectives for the system, make a strong case for the contributions of public higher education to the Commonwealth, and address a number of selected issues, with the flexibility to incorporate pressing concerns that may emerge during the course of the work.

The first two reports that will be produced, during 1989-90, are "Missions and Changing State Context," and "Financing Public Higher Education." Regents staff have prepared preliminary outlines and general charges for each of these topics, and is now working in consultation with presidents, chancellors, and others to assemble planning groups. A brief description of the key issues to be addressed by each group follows:

- o Missions and changing state context -- The long-range planning group will review the mission of the system of public higher education as a whole and the "generic" missions (teaching, research, and public service) of the three segments: community colleges, state colleges, and universities. It will also consider issues dealing with the importance of having clear, differentiated missions for institutions within the system and will examine the possibility, value, and limits of identifying and promoting differentiated emphases in terms of program array and institutional character. The goal is to create a framework within which each campus can develop a mission and character that reflects its individual identity, its role within its segment, and its place (regional and programmatic) within the higher education system as a whole. Consideration of these issues will be within the context of the changing demographic, economic and political circumstances of the Commonwealth, especially the changing workplace and the new demands being placed on workers at all levels.

- o Financing public higher education -- Resource planning for public higher education should be based on full consideration of assets, revenues, and costs, giving attention to the strength of the financial base and to the effective use of resources at the margin to achieve institutional and system goals. Rather than focusing on state-appropriated funds alone, a new approach will be designed to facilitate and encourage development of multiple funding sources and of collaborative arrangements with private as well as public partners. The goal of the long-range planning group will be to develop a budget framework that reflects the realities of campus administration and that takes into account the full financial picture of the system and its institutions, without impinging upon vital campus autonomy in these areas; and, with the assistance of the campuses, to formulate guidelines for the development of base budgets, differentiating among types of programs, levels of instruction, and differences in mission among types of institutions. The revised budget process will ensure that new resources are targeted in areas where state priorities or identified opportunities exist and where we can use "indicators of effectiveness" to measure the returns on our investment.

Work on a new long-range plan (to supersede the plan adopted by the Regents in 1982) is under way. At a January 1989 retreat, the Regents identified critical issues that should be addressed in the long-range plan. These issues parallel and complement those addressed in System and Campus. A broadly consultative and participatory process is being established to produce a series of long-range planning reports, to be submitted to the Board of Regents beginning in 1990.

Research and Analysis. One of the major goals for the past year was to continue to provide the Regents, our institutions and the public with useful information about higher education. The availability of such information is key to analyzing educational policy issues as well as providing a means of holding ourselves accountable to the constituencies we serve.

In the past year, the Regents have issued several data reports, including:

1. New Faculty and Administrative Hires and Total Higher Education Employment, 1987 - 1988.

2. Opening Fall 1988 Enrollments - Day Division and Continuing Education.

3. Required Fees at Massachusetts Public Universities and Colleges - Fall 1988.

4. General Scholarship Program Report - Fiscal Year 1988.

5. Division of Continuing Education Student Profile: A Report on the Results of a Student Survey - Spring 1989.

6. Enrollment and Completions at Public and Independent Colleges and Universities in Massachusetts, Fall 1978 - Fall 1988: An Analysis of Trends.

7. Research and Planning Enrollment and Degrees System: Fall 1987 Enrollment Report.

A number of important findings are presented in these reports. For example, the enrollments reports reveal that despite a 22 percent decline in the number of high school graduates, the number of students attending Massachusetts colleges has increased by 9 percent over the last decade. Both public and independent colleges benefited from an increase in the college going rate. The rate is currently 58.3 percent; that is, more than 58 percent of all high school graduates go on to college. While the growth in college enrollment is generally consistent with national data, the increase in black enrollment in the state contrasts with national trends which show a decline in the college participation of these students. With respect to personnel, the new hires survey results indicate that more women and minorities relative to males and whites are being hired as full time employees by public institutions.

Capital Planning and Spending. A year ago, the Legislature authorized the largest capital appropriation for higher education in Massachusetts history. Appropriation, however, is only the first step in making Capital Funds available for use. A "terms bill" and administrative approval are required before bonds can be sold and the money becomes available. Because of fiscal constraints, the Administration

decided to limit Capital Spending to $925 million. With the exception of Corrections, this cap limited spending in other areas of government to projects that were already underway or to projects that were deemed essential or critical.

Since money had already been allocated to all of the campuses, we were able to complete a number of projects, primarily in the repair area, on every campus. We also held a series of meetings with the campuses to develop the most effective spending plan within the spending limitations assigned to us by the Administration. Most of the campuses now have access to professional engineers and architects and have become far more effective and economical in the use of funds available to them.

Despite the slower pace of capital spending, we have vigorously pursued specific Capital Planning. Comprehensive Master Plans, including Academic Programming and Facility Requirements have been completed for Bridgewater, Fitchburg, Framingham, and North Adams State Colleges, the Massachusetts College of Art, and the University of Lowell.

We have also completed, or are nearing completion of, new student dormitories at Southeastern Massachusetts University, the University of Lowell, Bridgewater, Fitchburg, Westfield, and the Massachusetts College of Art. These additional facilities will provide rooms for 2,635 students. The dormitory at the Massachusetts College of Art is the first in its history. Presently under construction for completion next year are dormitory facilities at Salem and Worcester State Colleges which will house an additional 624 students.

Teacher Education. The Regents' collaborative effort with the Department of Education to improve teacher preparation in the Commonwealth continued during the past year, and we have now made significant progress toward implementing the recommendations of the Joint Task Force on Teacher Preparation (JTTP) report (adopted by the Board in November 1987). The Implementation Plan provided to the Board of Regents in February, 1988 called for the establishment of a number of working groups to develop specific recommendations on key components of the JTTP report. The following Board of Regents' sponsored groups met during 1988-89, and issued reports, each with its own set of recommendations: Minimal Competencies; Special Education; Business Education; and Physical Education.

A major continuing effort of the the Board of Regents and Department of Education is the Joint Mentor Teacher Working Group which met for the first time in April, 1989. Classroom teachers, principals, school superintendents, college administrators, and faculty and representatives of many educational groups are participating in this effort. Six subcommittees of the Working Group are developing guidelines on the mentor teacher component of future teacher preparation programs. The Working Group will complete its work by the end of this calendar year.

During this past year a Task Force on Minority Recruitment into Teaching also was jointly convened by the Chancellor and the Commissioner. This group, made up of faculty, administrators, and teachers, met regularly to develop recommendations for increasing the participation of minorities in the Massachusetts' teaching force. The Task Force report is expected in September, 1989.

Regents' staff have received and responded to preliminary plans from all public four-year institutions with teacher education programs. In addition, we have visited most of the public campuses, met with administrators and faculty, and held meetings for campus representatives at the Board of Regents. We have also assisted independent colleges in restructuring their teacher education programs when they have requested it, and have collaborated with the Department of Education and the Massachusetts Advisory Commission on Educational Personnel in developing new regulations for teacher certification.

A discussion paper on the clinical master's degree was distributed throughout the state in September, 1988. It was revised in December and sent out again for comment. Based on the many comments that we have received, a final revision is now being prepared in collaboration with the Department of Education and will be issued in September, 1989.

Tuition Policy and Campus Fees. In May, the Regents voted to approve a 7.7 percent increase in resident undergraduate and graduate tuitions. This action represented the second year in which tuition was raised within the policy framework that the Regents adopted in 1988. That policy created a formal and equitable partnership between the Commonwealth and individuals (students and their families) in support of educational opportunity. Under the policy, those who derive personal benefit from the education provided by public colleges and universities would assume an appropriate share of the cost of their education, consistent with their ability to pay. The Commonwealth would continue to bear the larger share of the costs, in recognition of the benefits that accrue from higher education to society at large. Thus, the policy sets as goals that the undergraduate tuition rate shall be 30 percent of the prior year's average educational cost per student at the four-year colleges and 25 percent of the cost at the community colleges. Further, graduate tuition shall be set at 125 percent of the segment's undergraduate tuition charge.

Current and anticipated percentages continue to be well below the goal percentages. Students at the community colleges will pay through tuition charges an average of 18.4 percent of cost in Fiscal 1990, an increase from 17.6 percent in Fiscal 1989. At the four-year institutions, students will contribute 21 percent of the cost of their education through tuition, slightly above the 20.3 percent rate in Fiscal 1989.

Contained in the Fiscal 1990 budget is language creating a permanent program of tuition retention. During last fiscal year our colleges were able to retain $9.2 million and, in the coming year, they will be able to retain an additional $10.0 million. These funds have and will continue to be used to support basic campus operations and it would be unrealistic to expect that the campuses would use them differently faced with current budget realities.

Perhaps one of the more difficult issues concerns campus-based student fees. Our tuition policy is clear on this issue, setting a voluntary limit on mandatory at 30 percent of tuition. During the past year a number of institutions have sought to be exempted from the policy because of reduced state appropriations. Fees now exceed 30 percent of tuition at 13 of the 28 colleges and universities. Between Fall '88 and

Spring '89, fees increased by an average of 9.7 percent, mainly in response to required budget reversions. As a system, however, the combination of all fees (except for dormitory charges) and tuition as a percentage of student cost is only slightly above (30.2 percent) the Regents' goal for tuition.

Approval of New Academic Programs. During 1988-89, a total of 15 new academic program proposals were received, and the Board of Regents approved eight requests for new academic degree programs and two nomenclature changes in the public sector. Revised procedures for new program approval were also implemented to streamline the process and to allow the Board to become more informed about academic changes occurring within the system. Under the revised procedures, requests for nomenclature changes are approved at the staff level, while institutions are now required to notify the Regents of the development of new program tracks or concentrations. To increase the prospect for moving new program proposals through the approval process at an accelerated pace, an "expedited" process was also developed. This proposed new procedure could make program approval time as short as ten months. A draft of the "expedited" process was shared with chief academic officers in May, 1989, and is currently being reviewed by the campuses.

The Program Review Process. Following the conclusion in Fiscal 1988 of the initial five-year cycle of institutional and statewide reviews, further activity was suspended to allow Regents' staff, assisted by an advisory group of chief academic officers from the public campuses, to assess the review process to date and clarify future directions.

The conclusion of this consultative process was that the initial review cycle had indeed been of value to our public colleges and universities and to the enhancement of the quality of academic programs. The institutional program review process provided the campuses with a systematic, comprehensive method and schedule for the evaluation of their educational offerings. The subsequent reports assisted in the identification of programmatic strengths and weaknesses, and several institutions utilized them in support of related budget requests and in the long-range planning process. The reviews also provided a rich resource base for those institutions which had to prepare for self-studies in connection with accreditation by the New England Association of Schools and Colleges.

Statewide reviews were at first considered to be, among other things, an effective vehicle for obtaining additional state funding to address identified needs. Until the budget reversions of Fiscal 1988, efforts of the Board of Regents to obtain targeted funding in response to the results of those reviews did in fact meet with some success. As a result of subsequent budget reductions, however, Regents' program review reserves have not been available and institutions have been encouraged to seek funds for implementing the recommendations of statewide reviews through their campus budget requests.

The next cycle of reviews spans the Fiscal 1990–1994 period and consists of three components: detailed institutional program reviews for selected programs; progress reports detailing program status since the last detailed review for most programs; and statewide reviews (as funding permits).

The overarching objective of institutional program reviews, progress reports, and statewide reviews remains the enhancement of the quality of the public system of higher education. Institutions will continue to use the results of these review efforts to strengthen the quality of academic offerings. During the Fiscal 1990–1994 cycle, stronger connections among these reviews, budget requests, and long-range planning activities will be developed. Also, staff annually will provide the Board of Regents with an overview of programmatic trends evident from the scheduled institutional reviews and progress reports. This information, combined with the results of the statewide reviews, will assist the Regents in the development of policy and in the allocation of resources.

Fiscal 1991 Budget Process. In April, 1989, the preliminary Fiscal 1991 budget strategy was proposed to be developed around three components: improvement of the base; a $20 million Challenge Fund; and tuition retention. An initial proposal for the Challenge Fund was developed and, along with proposals for improvement of the base, was discussed with the Council of Presidents and Chancellors at their June, 1989 meeting. The Challenge Fund proposal was further discussed with Presidents and Chancellors at a meeting on July 18, 1989, but was not supported because the current budget prospects indicate that primary attention must be given to the base.

The Challenge Fund proposal assumed that Challenge Grants would be:

1. developed around a short list of priority categories;
2. allocated to institutions as the outcome of a competitive proposal process;
3. organized on a segmental basis with institutions competing with others in the same segment;
4. retained in the institutions' base budgets; and
5. tracked in the budget reporting process.

The following priority categories, by segment, were proposed for the Challenge Fund:

Community Colleges: Identifying and assisting underprepared students; and general education.
State Colleges: Teacher education; and general education.
Universities: Enhancement of research; and general education.

If this approach had been adopted, the Presidents and Chancellors or their designees would have been asked to assist in the development of criteria for challenge grants in each of the above categories, by segment. External evaluators would have been used as readers of grant proposals.

Due to the grave condition of our budget allocations over the last three years, the Fiscal 1991 budget process will now emphasize restoration of funding for *maintenance*. This strategy is in significant agreement with the position of the Council of Public College and University Presidents and Chancellors -- that no incentive or challenge funding proposals should be developed until the system has achieved equitable maintenance budgets.

The Council did agree, however, that additional funds should be set aside to address long-standing inequities among institutional maintenance budgets. To that end, the Board of Regents is proposing that a $20 million pool, the Primary Mission Fund, be made available for campus requests.

The Primary Mission Fund will principally address inequitable distributions arising from historical circumstances, enrollment shifts, or other long-term structural factors. Each campus will be invited to submit its own request documenting the underfunding which prevents it from fully carrying out its primary mission. Within the Primary Mission component, a campus may include a request to fund a program which it believes has demonstrated unusual success. This Fund will essentially be the only "new" component in the budget process. Other maintenance adjustments such as inflation and mandatory considerations will remain as in past year's budgets.

Finally, in recognition of our diverse segmental missions, all requests will be reviewed, and recommendations presented, in three sections: state colleges, universities, and community colleges. Any changes to the final budget, additions or deletions, which apply to a specific segment will affect only that segment.

McNair Programs. The McNair Program, in its third year, was level funded for Fiscal 1989 at $6.5 million. The Board was able to continue to support the same number of programs as in the preceding year, with 90 percent of the funding going to public institutions and 10 percent to independent institutions. Funding continues to target access and retention efforts for disadvantaged students at the collegiate and pre-collegiate levels.

The Board also sponsored a conference in May on "Low-Income and Minority Students' Achievement and Graduation Rates" for institutions receiving McNair funds in Fiscal 1989. Invitations were extended to program staff, chief academic and student affairs officers, and selected faculty of the sponsoring institutions and more than 125 attended. The meeting focused on reviewing ways by which institutions might more effectively serve disadvantaged students.

As the Board of Regents continues its efforts to improve the quality of public higher education, we must also increase our effectiveness in providing equal educational opportunity. State authorities did not release funds to evaluate these programs this past year, but we have begun internally the process of collecting and analyzing program data on the pre-collegiate efforts. This effort will be expanded to our collegiate program efforts over the coming year.

Interagency Collaboration. As a result of legislation passed last year to develop a more coordinated system of employment and training in the Commonwealth, our interagency activities have intensified. During 1988–1989 Regents' staff collaborated with the Department of Education, the Department of Employment and Training, the Department of Public Welfare, Commonwealth Careers, the Department of Mental Health, the Massachusetts Jobs Council, the Executive Office of Human Services, Commonwealth Literacy Corps, and the Bay State Skills Corporation in addressing such issues as welfare reform, shortage of nurses and other health care workers, adult literacy, employment and training, and workforce productivity and quality.

During the coming year, we expect to continue our activities, particularly with those agencies implementing educational programs requiring collaboration with our colleges and universities. We are pleased to expand our partnerships with these agencies in order to develop more efficient and effective methods of utilizing human resources to enhance the economic well-being of the Commonwealth.

Other Activities and Projects

Regents' Office Reorganization. This past summer, a series of organizational changes were initiated for the Regents' Office. The goals of the reorganization were to: 1) increase the productivity of the Regents' workforce and 2) create an organizational structure that acknowledges the uniqueness of three segments of the system (universities, state colleges, and community colleges), while at the same time recognizing the fundamental responsibility of developing a first-rate coordinated system of public higher education.

This plan combines vertical and horizontal organizational principles in a way that will allow the Regents to better manage its operational responsibilities and better serve its diverse constituencies. The five newly reconstructed divisions include: Division of Academic Affairs and Long Range Planning; Division of Fiscal Affairs and Management; Division of Educational Research and Services; Division of Employee Relations; and General Counsel's Office.

Complementing this traditional vertical organizational format was the addition of a segmental (horizontal) organizational structure within the Regents' Office. This horizontal structure consists of three Segmental Teams. Meetings of the Segmental Teams will be convened by the Associate Vice Chancellor of the respective segment within the Division of Academic Affairs and Long-Range Planning. Such meetings will be called at least monthly, and will be attended by appropriate staff from the divisions of Fiscal Affairs and Management; Employee Relations; and General Counsel, as well as the Educational Research and Services offices. All academic, fiscal, planning, policy, collective bargaining, and legal matters pertaining to each segment will be brought before the respective Segmental Team. Recommendations of the Segmental Teams will be provided to the respective divisions responsible for a particular administrative activity for their review and information. In all cases, however, the division Vice Chancellor or Director will be ultimately and singularly responsible for making final recommendations to the Chancellor and the appropriate Regents' Committee.

An essential goal of the reorganization is to create a structure more consistent with the institutional realities existing within our system. Implementation of the reorganization plan will continue this Fall.

Presidential Appointments. The Board of Regents during the past year approved the appointments of Dr. Adrian Tinsley as President of Bridgewater State College and of Dr. Walter C. Howard as President of Roxbury Community College. President Roger A. VanWinkle of Massachusetts Bay Community College and President Eileen Farley of Bristol Community College were each re-appointed for three-year terms.

Long-Range Planning for Libraries. A statewide library planning committee composed of representatives (primarily librarians) from the three segments was established in February to develop a statewide plan for libraries in public institutions of higher education. Using the Integrated Postsecondary Education Data System (IPEDS) Report as a starting base for its data collection, the Committee is in the process of reviewing a needs assessment questionnaire which was completed by campus librarians over the summer. The Committee expects to have the first draft of a long-range plan for review by November, 1989. The Committee is chaired by Dr. Margaret Soderberg, Vice President for Academic Affairs at North Adams State College.

Telecommunications and Computing Policy. A "Planning Process for Computing and Communications" was instituted in May, 1988 to ensure that such technologies are applied effectively to each campus' mission and priorities. It called for each campus to develop a Computing and Communications Master Plan guided by a campus advisory structure. It further requested that two-year project plans be developed in sufficient detail for inclusion in Capital, Operating, and Data Processing Reserve Budget Requests. The initial plans are being submitted to the Regents in conjunction with the Fiscal 1991 campus budget requests.

To assist the campuses in the process, the Regents published "Goals and Policies for Computing and Communications" and "Planning Guidelines for Computing and Communications Master Plans" in September, 1988. In addition, each campus was provided a target amount of capital funds they would receive when they submitted an acceptable plan. A small amount of the capital funds were reserved to fund multi-campus projects and projects of exceptional merit. The subsequent freeze on capital funds eliminated the incentive to complete the plans early.

The campus master plans will form the basis for the Regents' Fiscal 1991 budget recommendations for the Data Processing Reserve and Computing and Communications Capital funds. During Fiscal 1990, a Systemwide Computing and Communications Master Plan will be developed, guided by an advisory group and based on the campus plans. If the state revenue outlook improves, the Regents will work to gain release of the existing frozen capital funds so campuses can begin implementing their plans.

Higher Education Communications Network (HECNet). In 1987, the Regents implemented a communications network that provides students, faculty and administrators access to resources that the state would otherwise be unable to provide on individual campuses. Known as the Higher Education Communications Network (HECNet), it links the twenty-nine public universities, state colleges and community colleges. It was designed primarily as a terminal-to-computer network.

During the end of 1988 and early 1989, HECNet's overall design was enhanced by Regents and campus staff into a highly flexible vendor independent network architecture. Using the existing network as a base, the new design supports

communications among campuses with different networks, different computers, and at different stages in their network development. It also allows a cost effective connection to the newly formed North East Academic and Research Network (NEARnet), this area's regional National Science Foundation Network. Once connected, this will not only open a major new window into the world for most campuses, but provides the world access to important resources within Massachusetts public higher education. It is hoped that at least initial implementation of the enhanced design can begin in Fiscal 1990, along with the connection of such additional resources as the academic computers at the University of Massachusetts at Amherst and the University of Lowell, the MISER data bases at the University of Massachusetts at Amherst, and the Digital Geography Laboratory at Salem State College.

Transfer of Credit. In the 1988 Year Ahead message, the transfer of credits from community colleges to four-year institutions was identified as a major agenda item. The Council of College and University Presidents and Chancellors had referred a proposed new transfer compact, developed by the Community College academic deans, to the Regents' staff with a request that the proposal be reviewed by the chief academic officers. At the first meeting of the chief academic officers in Fall 1988, a Committee on Transfer of Credit was formed which included members from all three segments of public higher education.

The Transfer of Credit Committee met several times during the winter and spring and developed a new transfer compact based on the one proposed by the Community College academic deans. The proposed Transfer Compact was submitted to the presidents and chief academic officers for comment in May, 1989. When all comments have been received and reviewed, a final version will be submitted to the Board. The proposed revision incorporates a number of features that will ease transfer of credit for graduates with Associate of Arts and Associate of Science degrees.

Study of Massachusetts Maritime Academy. The Higher Education Capital Outlay Act of 1988 (Chapter 208) included a provision, inserted by the Legislature, requiring the Board of Regents to perform a study on "the possibility of a future merger between Southeastern Massachusetts University and the Massachusetts Maritime Academy." To assist the Board in responding to that mandate, a five-member Study Team was appointed last Spring, including representatives from both institutions and from Regents' staff. The Team, which was charged to conduct a general examination of the Academy's academic program development as well as its institutional status, was supported in its task by five outside consultants expert in maritime training, marine sciences, engineering, and administration. In June 1989, the Study Team submitted its report, incorporating the findings of the consultants. The report recommended that the Academy be maintained as an autonomous institution, with certain changes in administration, program, and recruitment practices.

The Regents concurred with the report's conclusion that the Academy possesses distinctive strengths, and re-affirmed their commitment to professional technical training in maritime affairs. They noted, however, that the possibility of a merger with

the University had not been fully explored. Southeastern Massachusetts University President John Brazil also recommended that the merger option receive further examination.

At its June meeting, the Board of Regents formally received the report of the Study Team, and the Chancellor's recommendations. It then voted to continue the study process by requesting the Maritime Academy Board of Trustees to provide its own plan for the Academy's future responding to the Study Team report, while directing Regents' staff to provide a detailed plan for a "merger or appropriate affiliation" between the Academy and SMU. These studies are now in preparation, and are expected to be available for the Board's consideration in the late Fall.

Admissions Policy. When the Admissions Standards were established in 1984, the Board of Regents directed that they be reviewed in 1988 by an advisory committee with the assistance of Board of Regents staff. Accordingly, an Admissions Advisory Committee was reconstituted and asked to examine current admissions standards policies including the academic units, the sliding scale/eligibility index, and exemptions.

President Paul Weller of Framingham State College chairs the Committee, which includes representatives from the public colleges and universities, the Department of Education, school administrators, guidance counselors, and representatives of parents' and minority community organizations. The first meeting of the Committee was held in January, 1989, and three additional meetings were held in the spring. The members of the committee brought a variety of points of view to productive discussions about the complex issues involved in the development and implementation of the admissions standards policies. An interim report will be completed in the Fall.

Mandatory Student Health Insurance. In April 1988, the Governor signed into law the Universal Health Security Act. A key provision of the Act requires each institution of higher education in the Commonwealth to ensure that its full- and three-quarter-time students are enrolled in a qualified student health insurance program offered by the institution or in another health insurance program with comparable coverage. The law further directed the Department of Medical Security, with the advice and consent of the Board of Regents, to implement this requirement by September 1, 1989, through regulations defining qualifying student health insurance programs.

Throughout the past academic year, the Department of Medical Security and the Board of Regents worked closely with representatives of the higher education community to define the requirements of a qualifying student health insurance plan. In order to assist colleges and universities with the development of student health insurance plans that are in compliance with the law, the Department of Medical Security issued advisory guidelines last February.

In June, 1989, the Board of Regents voted to consent to the proposed Student Health Insurance Program Regulations prepared by the Department of Medical Security. The Department of Medical Security issued final regulations in August.

Preliminary estimates by the Department of Medical Security indicate that over 60,000 college students in Massachusetts have no health insurance. The implementation of this provision of the Universal Health Care Act will ensure that these students have access to medical care as necessary. In cooperation with the Department of Medical Security, the Board of Regents will continue to monitor the impact of this provision on students enrolled in Massachusetts' colleges and universities.

Grant-Related Programs

School/College Collaborative Program -- Funding for School/College Collaborative Program was greatly reduced in Fiscal 1989, from $5 to $2 million. As a result, the number of funded programs was reduced from 60 in Fiscal 1988 to 29 this past year. In spite of these budgetary constraints, the Board was able to continue its support of model programs, Bilingual/ESL/Special Education initiatives, and International Resource Centers.

Anticipating that Fiscal 1990 funding would continue to be at the Fiscal 1989 level, the Board solicited applications and found that the interest in the program continues to be high. More than $3.4 million was requested to support 48 programs. The Board was not be able to consider any of the requests because the Fiscal 1990 budget eliminated this Collaborative Program entirely. The discontinuation of this program eliminates public higher education's ability to address many of the problems facing elementary and secondary education within the state. In addition, there were some critical initiatives that were prematurely ended, such as Bilingual/ESL/Special Education and the International Resource Centers.

The Collaborative Program has brought schools and colleges together in ways that had not occurred in the past. The program initiated ongoing partnerships between the two levels of education while providing opportunities for the development of more creative approaches to improve schools.

Title II Program -- Massachusetts received a successful evaluation by the U.S. Department of Education for its administration of the Education for Economic Security Act (EESA) - Title II program. Commendations were given for program management, level of coordination and cooperation with the Massachusetts Department of Education, and the quality and innovation of funded projects. It is also pleasing to report that our budget for this program grew from $476,000 in Fiscal 1988 to $671,000 in Fiscal 1989.

The purpose of the EESA - Title II (renamed the Dwight D. Eisenhower Mathematics and Science Program) is to improve the skills of teachers and the quality of instruction in mathematics and science at the elementary, middle, and secondary school levels. Congress has re-authorized the program for another five years and the U.S. Department of Education has allocated approximately $2.8 million to Massachusetts for the coming year. Of that amount, the Board of Regents will administer $704,000 in Fiscal 1990, with the remaining funds administered by the Department of Education.

Last year, the Board approved 22 grants, thirteen to public institutions and nine to private institutions, to offer inservice training for teachers and direct instruction to elementary, middle, and secondary level students. Students participating will be from underserved and underprivileged or talented and gifted backgrounds. Grants are awarded on a competitive basis to support collaborative programs between higher education institutions and local education agencies in mathematics and science.

SHEEO Grant -- The Board of Regents, in February, was awarded a $40,000 grant by the State Higher Education Executive Officers (SHEEO) to increase Black, Hispanic, and Native-American students' achievement and graduation rates in teacher education programs. Of the 35 states applying for this grant, Massachusetts was one of eight grant recipients. The funds are being used to develop Collaborative Teacher Education Programs by teams of public two-year and four-year institutions of higher education, with the following goals:

1. Increase the transfer rates of minority students.

2. Develop model collaborative degree programs to be replicated in other disciplines.

3. Improve data collection and analysis on transfer rates within the public higher education system.

4. Develop formalized and cooperative relationships between participating institutions.

5. Strengthen general education curriculum at participating schools.

Utilizing a competitive grant process, two teams were given awards: the University of Massachusetts at Boston/Roxbury Community College, and Bridgewater State College/Massasoit and Bristol Community Colleges. Regents' staff will work with the campuses as they develop these new initiatives. In addition, there will be a thorough evaluation of the programs' progress in fulfilling their objectives with particular attention on evaluating the progress of program participants.

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